

that we've tried to make a goal of horse racing beyond Preakness? I mean, Preakness has been -- everything else, though, it's fallen flat. And time and again, we've made investments and attempts and so forth, but here we are once again. Why is this time different?

MR. CROSS: So I can -- I got a couple of answers for you. When I -- in 2009, I needed a story for the bankruptcy court. So I went back in and I said, I'm going to look what's been -- what is the history here? And what I found was every ten years, just like you're saying, it was the same thing where the Legislature would try and solve the problem, and it was always half steps because no one was willing to actually do the big thing, go all the way. It was always a band aid, and a band aid, and a hope, and every ten years it would come back again.

And frankly, I got pulled back in because ten years ago I said my fear was that with the deal that was structured at the time that we would be back again. And when the agreement -- the ten-year agreement existed, I got called back as a lawyer before this chairman responsibility. But what's different this time is we have an agreement with our partner. We have a plan for the construction. We have detailed estimates from the architects. Bids are going out for the construction.

We have met with the community. The community is not fighting with us. They were down for the bill signing. They waited for me downstairs for half an hour for the selfie photo, because everybody's excited and high fiving about it. When I -- you may remember, I sent you an editorial in early January. And they said when we announced the January 5th plan, very much like you said Treasurer Davis, they were like, it would be fair to ask why this time, we would believe that it's true.

And they said the announcement felt like Maryland had made a big

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stride towards the starting gate. If we're going to stay with that analogy, I would say with the passage of the of the legislation, the final agreement, we've leapt out of the starting gate and we look really good going into the home stretch. We still have a lot of work to do. But this time, we have a concrete plan, we have the funding, and we have the agreements in place. That was never true before. And we've done the entire thing, not a half step.

TREASURER DAVIS: Fair enough.

CHIEF DEPUTY COMPTROLLER SCHAUFELLE: No questions.

GOVERNOR MOORE: Mr. Chairman, thank you.

MR. CROSS: Thank you.

GOVERNOR MOORE: Thank you so much. And also for Ms. Stronach. Thank you so much for being here today and again for your partnership. And please, we'd love to have you come up as well.

MS. STRONACH: Thank you, Governor. Thank you, Greg. I'm delighted to be here today. This has been a long time coming. I can't go back the 30 years that you've all gone back, but certainly we've tried in, you know, in the recent years and we weren't able to come to an agreement. But I'm thrilled that we were able to come to an agreement. And this has been a long time coming. And you know, we've all heard the saying that it takes a village, only in this case, I think it took much more than a village. It took a community of Park Heights. It took a city, it took a county, it took legislators, it took a state, and it took the leadership of the Governor to make this happen.

So Governor, I'm grateful to you. I'm grateful for the tone that you set in the spirit of partnership to try and construct a solution that would benefit all stakeholders and the industry, and so I'm very proud to have played a role in that. I'd like to thank Greg Cross as well. Greg, your leadership is legendary -- or your commitment to finding -- to negotiating a good deal is -- it's legendary, or has

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become legendary. And I'd also like to thank Senate President Ferguson, who has been working at this for some time, and House Speaker Jones, as well. And I'd also like to thank the team at the Stronach Group: Keith Brackpool, Joanna Bliss, Marie Long and Maryland-raised Craig Fravel. So they worked tirelessly as well with Greg to make this come about.

So looking to the future, we are really excited about the new -- about Preakness and the new Pimlico, and for generations to come to put horse racing on a sustainable footing. And we're also excited about the Preakness this coming weekend. So I have one last request of you, Governor, and Greg, can you help us with the weather a little bit for Saturday?

(Laughter.)

MS. STRONACH: And then I think we're all buttoned up.

(Laughter.)

MS. STRONACH: So thank you so much.

TREASURER DAVIS: I want to know who is going to win.

(Laughter.)

GOVERNOR MOORE: I'll tell you who's going to win. Park Heights is going to win.

TREASURER DAVIS: That's very good.

GOVERNOR MOORE: Put your money on Park Heights. Ms. Stronach, thank you. Thank you for your partnership. Thank you for your belief not just in the industry but in the community. We really appreciate you and we appreciate you being here, deeply. And are looking forward to this weekend and many, many, many more Preaknesses to come. So thank you.

Are there any further discussion on the item?

CHIEF DEPUTY COMPTROLLER SCHAUFLELE: No discussion.

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GOVERNOR MOORE: Wonderful. May I have a motion to approve the Secretary's agenda?

CHIEF DEPUTY COMPTROLLER SCHAUFLELE: So moved.

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Outstanding. Thank you so much. All right, we'll proceed with the Department of Natural Resources agenda. Secretary Kurtz, good morning.

MR. KURTZ: Good morning, Mr. Governor, Mr. Treasurer, Mr. Deputy Chief Comptroller. For the record, Josh Kurtz, Secretary of the Department of Natural Resources. The Department has nine items for your consideration today. I'm available to answer any questions. Before that, I was hoping to share some good news with the Board though, if that would be all right.

GOVERNOR MOORE: We always love good news.

MR. KURTZ: That's good. As you know, every time at the Board of Public Works -- one of the things we're bringing is protection, long term and permanent protection of land across the State of Maryland. And we have some of the best programs to protect our properties and our natural resources for the benefit of all people. Whether that's for clean water, climate resilience, and mitigation, a wide range of benefits, access. And we also have a very, very, very fantastical -- that is 30 percent protected by 2030 and 40 percent by 2040.

And earlier this year at the BPW meeting -- doesn't happen right away because we have to then go through all of the land transfers and whatnot -- we have surpassed that 30 percent goal. We have protected over 1.85 million acres across the state of Maryland, out of about 6.1 million acres. So that is just over 30 percent. And I think we're really excited to put the pedal down on getting to that 40 percent goal by 2040.

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And I really want to thank the countless partners. This is fully grassroots-driven in a lot of ways. We're working with local governments, land trusts, nonprofits, individual landowners who want to do the right thing not just for their property, but for the future of Maryland. We are grateful to all of them, and we're looking forward to continuing that partnership and really blowing through that 2040 goal, just like we did the 2030 goal. So thank you very much for the time.

GOVERNOR MOORE: That is -- that's not good news, that's great news. And that's leadership. Well done.

MR. KURTZ: Thank you, sir.

GOVERNOR MOORE: Thank you. Is there any discussion on the DNR agenda?

TREASURER DAVIS: No, other than -- just to say, ever since you brought those trees in here, my allergies have gotten worse.

(Laughter.)

GOVERNOR MOORE: Thank you, Mr. Secretary.

MR. KURTZ: We can, we can work with -- there's some really great, like, local honeys that we can help you with that, sir.

(Laughter.)

MR. KURTZ: I'll have to get (indiscernible) to help us out.

TREASURER DAVIS: I just want to thank you for that.

(Laughter.)

(Indiscernible).

GOVERNOR MOORE: May I have a motion to approve the agenda?

CHIEF DEPUTY COMPTROLLER SCHAUFLE: So moved.

GOVERNOR MOORE: Is there a second?

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TREASURER DAVIS: Second.

GOVERNOR MOORE: Outstanding. Thank you so much, Mr. Secretary.

Next up, University System of Maryland, Mr. Hickey. Good morning.

MR. HICKEY: Good morning, Governor. Good morning, Mr. Treasurer. Good morning, Mr. Chief Deputy Comptroller. Tom Hickey representing the University System of Maryland. There are nine items for your consideration. Happy to answer any questions.

Joining me today in person is the President of Salisbury University, Dr. Carolyn Lepre, who is here in support of Items 4 and 6.

GOVERNOR MOORE: Excellent, thank you so much. And we're all very big fans of our President. So Madam President, it's great to see you. And in fact, I'd like to -- I'll call up Item 4 and just say something about it. It awards the first of three bid packages for the construction services relating to the Blackwell Hall renovation project. And I bring it up because last March I had the joy of being able to tour the project and where I spent some time with the president, and students, and faculty, and staff on the campus as I marked my 100th day in office. And we knew intentionally we wanted to spend that time over in the Eastern Shore. And so thank you for welcoming me that day.

And I could not be more excited to see this project now up for approval because once completed, this facility is going to be a hub for resources for students, and especially for first-generation students, who find themselves on campus and able to then access a whole variety of different resources and supports that their situation merits and justifies. And for knowing that this is going to help to provide the supports they're going to need not just on campus, but also for long after they graduate.

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And so Lieutenant Governor Miller and I were pleased to include a \$27 million in our fiscal year 2025 budget to be able to support this project. It is wonderful to seeing it here in place. And I'm especially proud of the fact that this is going to be a net zero facility and will be the first USM facility to be compliant with the requirements of the Climate Solutions Now Act.

And so Madam President, it is great to see you here. Thank you so much for being here today. It's great to see you. And thank you for making the trip on the Western Shore. And we'd love to have you join us and say a few words, if that's okay.

DR. LEPRE: Thank you very much. Good morning. Good morning, Governor Moore, Treasurer Davis, and Chief Deputy Comptroller Schaufele. I am honored to be here with you today to express sincere appreciation for your incredible support of Blackwell Hall, the renovation project that you just mentioned at Salisbury University. The contract before you today is the first to come before this board since the final passage of the Governor's budget and it symbolizes progress on what we know will be a truly transformational project for our future students.

When the project is complete, some of our most critical student services such as Financial Aid, Mental Health Counseling, Career Services, and the Disability Resource Center will be co-located now in one place on campus in Blackwell Hall. This will indeed ensure, as you just mentioned, that for -- especially for our first-generation students, they will more easily be able to locate and utilize the resources and opportunities that will help them not only be successful while they are a student at Salisbury University, but in life after graduation, which is the whole goal of all of this.

Also exciting, as you mentioned, we are still on track to be one of the first net zero buildings within the entire University System of Maryland, and

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we do want to be first, furthering both SU and the State of Maryland's goal to build a sustainable future.

So we are always looking for better ways to serve our students and community, which is why you'll also notice on the agenda today that we are looking to purchase a commercial property that's adjacent to campus. And doing this will be -- allow us to expand safe and affordable parking for students, which for us is an accessibility issue, and to provide additional storage for outdoor equipment, such as kayaks, that will support student programming and get students out of their classrooms and dorms and into the world so that they can do more.

So thank you. Thank you very much on behalf of all you do for Salisbury University and for our community of students, faculty, and staff. It is incredibly meaningful. And if budgets are evidence of priorities, then I believe that this Administration's continued support for Salisbury University demonstrates a commitment to an equitable and sustainable future for all Marylanders, including those who have been previously left behind. So thank you so much.

GOVERNOR MOORE: Bless you. We are incredibly excited about this partnership, but also incredibly excited about your leadership. So thank you for you. Thank you for what Salisbury does for the Eastern Shore and also beyond. So bless you.

DR. LEPRE: Sure.

GOVERNOR MOORE: And thank you so much.

DR. LEPRE: Thank you.

GOVERNOR MOORE: Is there any further discussion on the USM agenda?

CHIEF DEPUTY COMPTROLLER SCHAUFLE: No, sir.

GOVERNOR MOORE: Okay. May I have a motion to approve the USM agenda?

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CHIEF DEPUTY COMPTROLLER SCHAUFLELE: So moved.

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Outstanding. Thank you so much.

MR. HICKEY: Thanks very much.

GOVERNOR MOORE: Okay. We'll proceed with the MDOT agenda. Ms. Radomsky, good morning.

MS. RADOMSKY: Good morning, Governor. Good morning, Mr. Treasurer, Mr. Chief Deputy Comptroller. For the record, my name is Valerie Radomski, Chief Procurement Officer for the Maryland Department of Transportation. Today, we are presenting 15 items for your consideration.

We are seeking approval of one contract to a duly certified small veteran-owned business for \$325,000, two contracts to certified small businesses for approximately \$1.5 million, and one contract to a certified disadvantaged business enterprise for \$3 million. We have representatives available to answer any questions you may have.

GOVERNOR MOORE: Okay. Thank you so much. Is there any discussion on the MDOT agenda? May I have a motion to approve the MDOT agenda?

CHIEF DEPUTY COMPTROLLER SCHAUFLELE: So moved.

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Thanks so much.

MS. RADOMSKY: Thank you.

GOVERNOR MOORE: We will conclude with the DGS agenda. Deputy Secretary Reichart, good morning. Good to see you.

MR. REICHART: Good morning, Governor. Good morning, Mr.

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Treasurer, Mr. Deputy Comptroller. It's good to see you. For the record, I'm Nelson Reichart, the Deputy Secretary of the Maryland Department of General Services. Today, the Department is presenting 48 items on our agenda. We're withdrawing items 36-LT, 38-LT, 39-LT, 42-LT, and 46-S.

Our agenda features over \$9.5 million in capital grants and loans, excuse me, including two items, Item 2-GL (2-CGL) and 7-GL (7-CGL), which provide about \$1.1 million to support Howard County Ellicott City Safe and Sound Flood Mitigation Program. The funding will support the construction of two 10-foot diameter culverts installed under the CSX Railroad right-of-way overpass, which will convey floodwater safely from the bottom of Main Street to the Patapsco River. And funding to improve a county-owned parcel of land on Saint Paul Street, which also includes a terraced park to help the flood mitigation.

Keeping an eye on our minority business participation, our agenda includes 11 contracts, and contract awards, and renewal options to certify minority businesses totaling \$18.5 million. And the Agency has representatives here to answer any questions that the Board might have.

GOVERNOR MOORE: Thank you so much, Mr. Secretary. And it's my understanding we have a number of individuals that are here to speak on the DPSCS --

MR. REICHART: Yes, we do.

GOVERNOR MOORE: -- inmate medical and mental health care services contract. With respect to Item 46, deferred to the June 5th meeting, that leaves Item 45?

MR. REICHART: Item 45 is still on the agenda.

GOVERNOR MOORE: Okay. Which is a recommended award for Centurion of Maryland, LLC to provide inmate medical and mental health care services for the Division of Correctional Facilities.

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I would just ask that all speakers would limit their comments to no more than five minutes. And Secretary Gontrum, if you can serve as timekeeper on that, please.

First, I'd like to recognize Deputy Secretary Sedtal to present Item 45. Deputy Secretary, good morning. Good to see you.

MR. SEDTAL: Good morning now, Mr. Governor, Mr. Treasurer, Mr. Chief Deputy Comptroller. For the record my name is Joh Sedtal. I'm the Deputy Secretary of Administration for the Maryland Department of Public Safety and Correctional Services, which is a mouthful.

Today, I'm joined by many DPSCS representatives on behalf of Secretary Carolyn J. Scruggs. The Department brings before you today Item 45-S, Medical and Mental Health Care and Utilization Services for the Department's Division of Corrections. These services have been tailored to the needs of the State's sentenced population. This item before you today is the culmination of a long and challenging endeavor that predates the Moore-Miller Administration. And we recognize the substantial fiscal responsibility associated with the proposed contract.

I would define this effort as nothing less than a reimagining of how medical and mental health care can and should be provided to the incarcerated population in our charge. And a moral declaration supporting the importance of this Department places on ensuring those who enter our facilities are afforded every opportunity to walk out as better, healthier individuals. The proposal will enhance the Department's current health care infrastructure, which will improve the Department's quality of care, service range and efficiency for our incarcerated population.

On a fundamental level, the restructuring of this contract into a specific realm of care for the sentenced population, encompassing both somatic

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and mental health care, ensures that the medical and mental health professionals caring for their patients will be able to coordinate, collaborate, and synthesize care in the most efficient and effective manner. For context, the Department currently provides medical and mental health services through separate contracts, but there have been substantial difficulties with coordinating continuity of care for incarcerated individuals between two separate vendors. When the Department last stood before the Board of Public Works in March, we discussed the need to extend the Department's health care contract for incarcerated individuals with YesCare and our expectations for that company.

Comptroller Lierman, who will probably hear a bug in her ear as I mentioned her name right now, we heard you loud and clear. Your grave concerns about conducting business with a contractor that aligns with our values. We believe the recommendation for award presented today does just that.

We recognize that adequate staffing has been one of the principal challenges the Department has faced in executing its mission to provide community standard health care to the incarcerated population. We believe that changes to the way this RFP was structured will dramatically reduce those concerns and ensure that appropriate accountability can be levied if expectations are not met, though we fully anticipate success in this facet of care.

The proposed contract offers myriad benefits to the State and those we serve. These include enhancements to telemedicine opportunities, on-site specialty care, and comprehensive continuity of care designed to facilitate successful reentry into the community.

Compared to the current contract, the proposed contract sets significantly higher goals for minority business enterprise and veteran-owned small business enterprises, 30 percent and 2 percent, respectively. The award of this contract will ensure protection of substantial State interest. Under the

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proposed new contract, the Department anticipates an increased level of performance and quality of service for a better value to the State.

Along with the enhancement of healthcare infrastructure, there's a plan in place to attract more qualified professionals and solve the current vacancy issues. The need for the award to be based on population rather than type of care provides a cohesive system that ensures that the quality of care remains consistent and uninterrupted for the incarcerated individuals across all of the Department's correctional facilities. This contract award is also committed to considerably higher MBE and VSBE goals, ensuring that over \$530 million are committed to certified MBE firms and \$34 million to certified VSBE firms.

Now, let me say this. The Department recognizes the extraordinary circumstances that lead us to seek an award in the face of a protest. Further, we recognize that the Board often frowns upon this method. We would not be doing this, bringing these items before you now, if we did not have the utmost faith in the procurement process that led to these recommendations, and the substantial State interest in immediately moving forward with more innovative, more comprehensive, and frankly, better health care to the approximately 18,400 individuals in our care.

Under the Moore-Miller Administration, the new executive team at Department of Public Safety and Correctional Services has a primary focus on securing communities and restoring lives working to prepare incarcerated individuals with the tools to reintegrate into society better than when they left. These individuals, their families, and the communities that they return to deserve nothing less.

GOVERNOR MOORE: Thank you so much. Thank you. We'll now go to Dr. Uchenna Achebe from Centurion of Maryland LLC, the recommended awardee, to offer remarks. Dr. Achebe, good morning.

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DR. ACHEBE: Good morning, Governor, Treasurer Davis, Deputy Comptroller, the Lieutenant Governor. Good morning. It is an honor and privilege to address you today. Distinguished stakeholders, ladies and gentlemen here present, good morning and welcome. For the record, my name is Dr. Uchenna Achebe. I'm a physician by training, and I'm a proud member of Team Centurion and, specifically, Centurion of Maryland. I've lived, breathed, and operated in the healthcare space for close to a quarter of a century. In that span of time, one comes across many life-and-death situations and stories.

A couple of years ago, I learned of one particularly heartbreaking story. A young journalist, the growing family, and an eight-year-old son developed what appeared to be a minor sore throat. Initially, he believed the issue would resolve, but when it did not, he was taken by his wife to the emergency room of a nearby local hospital to get checked out. After he was briefly examined, the examining physician pulled the man's wife aside and asked her if her husband had a tendency to exaggerate medical symptoms. Despite the wife's emphatic response to the contrary, the physician sent the man and his wife home with a recommendation for the man to take Tylenol.

Several hours later at home, the man collapsed in front of his wife and eight-year-old son. Scrambling frantically, the man's wife screamed and called for help. But it was too late. Suddenly, the young wife and mother was left without a husband and an eight year old boy was left without a father in a seemingly random and totally avoidable series of events. Permit me to add the small footnote to this true-life story. These events occurred about four decades ago and that eight-year-old boy was named Westley Omari Moore.

Events such as the one described, constitute one of the core human reasons why we stand before you today as the Board seeks to ensure access to timely and appropriate care for all the justice-involved citizens under our care.

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Our Centurion team understands that this is both a critical mission and an urgent imperative for the Department, as well as the Administration. Therefore, we are laser focused on this mission. And should the Board approve our selection, we look forward to continuing close partnership with both the Department and Administration to ensure that no justice-involved Marylander is left behind in terms of their clinical care.

To this end, we have worked tirelessly over the years to earn both the trust and confidence of the Department as well as succeeding administrations, and to position our team as your healthcare company of choice in this space. While we do not claim an ability to divine the thoughts of those involved in our selection, we do know what we bring to the table. And within the bounds of modesty, can I advance a number of reasons as to why the Department might have arrived at this decision.

First is our culture as a team and company. Our guiding principles include integrity, professionalism, meeting challenges with a sense of urgency, as well as an out-of-the-box and a results-oriented mindset. Although in the long term, the concept like culture and values seem intangible over an extended period of partnership and/or doing business together, these values make a huge difference in how partners perceive one another.

It is, therefore, possible that the Department and the Administration have come away with a certain impression of our team. Namely, A, that our word is our bond. We do what we say, and we say what we do. B, we are relentless in our drive to provide the best possible clinical care. And C, we keep our commitments be they clinical, operational, or financial.

MR. GONTRUM: Dr. Achebe, it's five minutes sir.

DR. ACHEBE: Thank you. I'll be remiss in conclusion, if I did not mention the unflagging support the DPSCS team through the myriad

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challenges that we've navigated together. One of which is meeting the mental health provisions of the Duvall v. Moore settlement agreement, amongst others.

MR. GONTRUM: Thank you, Dr. Achebe.

DR. ACHEBE: Thank you. One sentence in closing, sorry -- with your permission, Governor. We are tremendously grateful and honored to stand before you today in the position that we find ourselves as we await a final decision from the same members of this Board. Our Centurion team thanks you for your kind consideration. Thank you.

GOVERNOR MOORE: Thank you so much. Thank you, Dr. Achebe.

DR. ACHEBE: Yes, sir.

GOVERNOR MOORE: We'll next move on to the opponents of this item. First, I'd like to call up John Dougherty, who's representing YesCare to offer remarks.

MR. DOUGHERTY: Thank you, Mr. Governor. Good morning.

GOVERNOR MOORE: Good morning.

MR. DOUGHERTY: Good morning, Mr. Treasurer, Mr. Chief Deputy Comptroller. I represent YesCare. The Board might remember me from March 13th. YesCare, my client, was the low bidder on the two items, 45 and 46, by \$350 million. You haven't heard what YesCare's price on Item 45 was because they were disqualified. But there's a fundamental irrationality about disqualifying YesCare on Item 45 and opening their financial proposal on Item 46, which has been deferred.

Maryland law is clear. If you open an offer or a financial proposal, you are deeming them, based on their technical proposal, qualified and capable of performing the contract. YesCare has protested that. That was denied, and we've appealed to the Board of Contract Appeals, that disqualification on this Item 45.

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But we also appealed on Item 46 because \$350 million less expensive than Centurion collectively on the two contracts is a substantial amount of money. You haven't heard that YesCare was \$200 million cheaper than Centurion on Item 45 and I don't think Mr. Sedtal addressed that point. That's a lot of extra money to decide to spend. Maryland has a process for examining the relative merits of offerors. It's the bid protest and appeal process where the rules of evidence apply at the Board of Contract Appeals.

And it is not usual, as Mr. Sedtal -- as Deputy Secretary Sedtal acknowledged, to award in the face of protest appeals, certainly multiples, as is the case here. And so I'd ask the Board to allow the due process to run its course in a forum where the rules of evidence apply and we're allowed to address these issues. I'm not allowed to call witnesses here. I don't get discovery. The Board of Contract Appeals is the place to decide these issues.

So the other -- last point I'd draw your attention to, particularly now that Item 46 has been deferred, but 45 is going forward, is that to start Centurion's contract on June 6th, as the agenda item indicates, is a very quick transition. The incumbent contract and the RFP call for a 90-day transition from the old contractor to the new. Instead, it's going to happen in three weeks. And now, it's only going to happen partly. We're going to -- I don't know how the Department contemplates transitioning part but not all in three weeks and the rest at some other time. It's a chaotic process that you're being asked to approve today.

A chaotic process that will cost Maryland an extra \$350 million, and that denies my client due process. So I would ask the Board to defer not just Item 46 to June 6th and not -- and to also defer Item 45, both of them, until the appeals are resolved at the Board of Contract Appeals because that's the ordinary thing to do. That's the due process thing to do.

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If the Board members have any questions, I'd be happy to answer them, otherwise, I'll yield the rest of my time.

TREASURER DAVIS: Yeah. I want to take a shot at this.

John, this is not a court of law. Let's start there. So when you start talking due process and things like that, I'm not sure if that's appropriate either. But what is appropriate and what -- and I was the one that requested Item 46 to be deferred because of cost. I wanted to take a look at that and so forth. But I got to be honest. From a YesCare perspective, you all coming in lower really doesn't move me because I've seen, at least over the past year, your struggles to make payments to our hospitals.

So the feeling I'm getting from it, it's probably a low-ball bid to win the contract. But the company was having trouble making timely payments. And this is what I heard from the hospitals. This is not anything -- and then -- even then, it was almost like layaway. They weren't making those payments in full. It was, "Well, we'll put something on it," you know, a little bit there just to keep it going. And then more time would go and then the S.O.S would go out, and then maybe another payment would be made.

So what confidence would the Board has that even at an alleged substantial savings that the quality of care can be met by YesCare, when they point blank have proven that there's some financial distress that's going on or the appearance of financial distress?

MR. DOUGHERTY: I don't run YesCare's accounts payable department. I can't answer on anything firsthand. But I heard your questions last time and I asked what is the answer to this question because we know it's important to you, Treasurer Davis. And what I'm told is -- and that's all I can relate to you. And I'm not a witness, but what I am told is that their -- the process of paying University of Pittsburgh Medical System out in Western Maryland,

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University System of Maryland, is that an inmate, an incarcerated person goes to the hospital, and most of them are covered by Medicaid. And it goes through a lengthy adjudication process. I know when I get the first bill from my doctor, I don't pay that bill because I get something from my insurance company later that says, "No, we have a deal with him. Pay him \$100, not \$1,000." And the same thing happens. And it takes months to get these bills sorted out. And when they are sorted out, YesCare pays them.

That's what I'm told. I don't know the specific person who's telling you this specific invoice was paid later than it should have been paid, so I can't address that. If it comes up, I'd love to address it at the Board of Contract Appeals or whatever the right forum is. Here, I don't have this "This is the invoice. It's 90 days past due." Without looking at it, I can't answer your question. But that's what I'm told to answer your questions today is that -- is it's -- the process is not, you know, pay by return mail. It never has been and never will be. I don't think in the entire health care industry is it that. But that's what -- that's the answer I have for you. That's what I've been given.

It's not a low-ball bid. It's substantially more than YesCare's performed the contract for the last five-plus years. And it's a bid that has enough money to do the work. And the best example I can answer on the quality of care question is that -- I'm sure all the members of the Board are familiar with the Duvall litigation. I think 50 years' worth of governors have been named as a defendant in that lawsuit. It's been pending longer than I've been a lawyer, certainly.

And in that lawsuit, which complains about the quality of care and other aspects of pre-trial detention, mostly in the Baltimore City facilities, the ones run by Public Safety, that the court-appointed monitor who reports to the ACLU, not to my client. It's a neutral third-party. And when YesCare took over

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from Wexford five-and-a-half years ago, the state of the Duvall litigation was a failing grade. Wexford and the Department five-and-a-half years ago were failing Duvall to the point where the Department agreed to extend the term of the settlement agreement so that they would have more time to finally meet the -- all of the different criteria under that settlement agreement.

And in the five-and-a-half years that YesCare has been running healthcare in Maryland, they had reached about an 85 percent compliance rate. From below 50 to 85 percent. And that's the federal court and the neutral monitor. That's the report card from somebody who does not have a dog in the fight other than the interests of the incarcerated persons.

So that's what I have for you. Again, this isn't the right forum for it. You know, the comparison between one offer and another, anybody can dig up the sort of things you've heard about YesCare. You know, Centurion has -- Teams Centurion has its own long history. And I encourage you to just type their name into Google and you'll see what that history is. And for the Department to conclude on either of these that YesCare is not qualified or is less qualified in comparison to Centurion is ignoring the facts.

Again, this isn't the place for an adjudication of the facts. That's at the Board of Contract Appeals. But I'd ask the Board to slow down a little bit, do the ordinary thing, allow the process to work itself out, because the possibility of making a mistake, rejecting YesCare when YesCare shouldn't be rejected, saving \$350 million when -- a third of \$1 billion is an important amount of money to the State of Maryland. So again, I'd ask the Board to defer both items until the Board of Contract Appeals decides the pending appeals. Thank you.

GOVERNOR MOORE: Any questions?

TREASURER DAVIS: No.

GOVERNOR MOORE: Thank you so much.

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MR. DOUGHERTY: Thank you, Mr. Governor.

GOVERNOR MOORE: Lastly, I'd like to call up Bruce Bereano, representing Wexford, to offer remarks.

MR. BEREANO: Morning, Governor.

GOVERNOR MOORE: Good morning.

MR. BEREANO: Good morning, Mr. Treasurer. Good morning, Mr. Deputy Comptroller. For the record, my name is Bruce Bereano. I'm here on behalf of Wexford Health in reference to Item 45-S, and only that item.

Five years ago, I appeared before the Board of Public Works, not this board, vehemently opposing YesCare's award of the prison contract. They got the contract because they bid at \$50 million less. I told the board then, and I know I was right, they couldn't do it for \$50 million less. And since that time up to the present, State of Maryland has poured so much money to YesCare and their problems and difficulties has wasted a lot of taxpayers' money.

I think, unfortunately, we may be here again in that same situation. What do I mean by that? We were rejected because we were \$48 million higher than Centurion. One very critical thing that this Board really needs to ask Centurion, and I say politely, sincerely and professionally, my client followed all of the required and mandated aspects of the response to the procurement. It is to say, the mandatory specifications to meet MBE participation requirements and a living wage standard.

The monies that we awarded to the payment for MBEs and living wage standards were put in our bid, which is why our bid was that. We do not believe, and I think the Board should ask Centurion, respectfully, did you actually put dollars and cents in your bid to the Department for these two mandatory items that are critically important from a policy standpoint? If they didn't, then of course they're going to be \$48 million less than we were. But that's important to

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the Board and to the policy of the State of Maryland.

You cannot do this contract and provide the level of care and attention to the inmates that the Department is talking about here this morning, \$48 million less. You just cannot. The thing that upsets Wexford, and we know, is there was not really a very thorough, serious look at these proposals. Gentlemen of the Board of Public Works, you're being asked to sign a seven-year arrangement of over a billion dollars with a company. That's a lot of time, and it's a lot of money. It really is.

Do you know that there was no oral presentation by either Centurion or my client before DPSCS, which in all the years I've been in Annapolis, when you call in the final people that you're looking at, departments have oral presentations, ask questions, make presentations. This was all done on paperwork. That's not the way a procurement should be done, particularly one of a seven-year duration of over a billion dollars. In our proposal, we had, as a known participant, a partner MedChi. MedChi of the State of Maryland. You all know MedChi very well.

We had doctors lined up already, including psychiatrists, to perform services to provide the kind of inmate health care that people have been talking about and people care about, and that the Legislature cares about. But no other entity ever in prison health care contracts has had the medical society of the State of Maryland. We were going to do peer review, provide doctors, all -- there would never be any shortages of personnel.

We didn't have a chance to talk to the Department about that. It was in our paperwork, but it just was not done. And these things need to be on the record. And that is why I'm here to do that. I think at the very least, it should be deferred or the Board should be questioning Centurion, did they include the dollars and cents in those two mandated requirements? Because, respectfully,

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Governor and the members of the Board, if they did not, then of course they're going to be \$48 million less, and they're going to come back to the State of Maryland, and they're going to ask for more money, just like YesCare did. And I'll just say it as an aside, because I believe in fairness, Boonsboro. Don't forget the Boonsboro fire, the volunteer fire department. YesCare still hasn't paid them. Thank you very much. I'll be happy to answer any questions you have.

This is serious. It's seven years. It's over a billion dollars, and I don't want YesCare to continue any further, but the Board needs to act with full information. And I'll just say last time, I know I'm repeating myself, I'm sorry, but I've been around a long time and I've never seen contracts potentially being awarded to finalists without them being called in and having oral presentations. This is seven years and over a billion dollars. It's just not the way government should operate to assure government that you're getting good value for the money you're going to spend. Thank you very much. Be happy to answer any questions you have.

TREASURER DAVIS: I'm wondering if I'm adding up something wrong. Bruce, you mentioned that it was a \$48 million difference. What I'm looking at, I think it's a \$337 million difference, unless I'm doing something wrong.

MR. BEREANO: Math -- Mr. Treasurer, math is not my strong suit, but --

(Laughter.)

MR. BEREANO: -- it never has and never will be. But --

(Laughter.)

TREASURER DAVIS: No, I mean, I just want to make sure we were on the same --

MR. BEREANO: I haven't done my checkbook in about 40 years.

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TREASURER DAVIS: -- we were on the same contract.

MR. BEREANO: I think that -- I think that other numbers is the total number. It really is.

TREASURER DAVIS: Okay.

MR. BEREANO: But the important thing, Mr. Treasurer, and it's not clear from any of the paperwork, and I think it's critical, if you are looking at the price differences, did Centurion put that dollar amount for those two categories in their prices because it was mandated -- mandated by the Department, and we did it. That's why our number is our number, MBEs and living wages. And we went to authorities and checked. And if not, that's not kosher. It's just not kosher.

GOVERNOR MOORE: All right.

CHIEF DEPUTY COMPTROLLER SCHAUFLE: No questions.

MR. BEREANO: Thank you very much, gentlemen.

GOVERNOR MOORE: Thank you. Deputy Secretary Sedtal, we'll turn it back over to you for any remarks in response to any of the statements that we've heard this morning.

MR. SEDTAL: Thank you all. Mr. Treasurer, thank you for pointing that out. I'm glad the man in charge of the money is good at math on this one, so --

(Laughter.)

MR. SEDTAL: -- it's nice to hear about that. I wanted to kind of talk about two things. One is related to Wexford itself. It is not a seven-year contract. It is a five-year base term with a two-year unilateral right to renew by the State. So I do think in this case facts matter and we should talk about the terms of the contracts appropriately. So it is a five-year with a one two-year option. And I think you covered the math.

So as far as whether or not in some of the things that Mr. Bereano spoke about, he can certainly try to use this venue to functionally litigate a protest, but the time for Wexford to do that has passed. If they had concerns about the procurement, they had every opportunity to bring them up within the period stated in COMAR. That didn't happen. So I'm very confident, as I said earlier, in the procurement process that we went through. And ultimately, the RFP is the best value award. And we felt that the technical superiority of Centurion, as well as the financial superiority made them the choice for recommendation.

Related to some of the things Mr. Dougherty mentioned, the transition period. The transition period starts upon award of the contract. Let me be clear, we are not transitioning as in a new vendor will be taking over services on the date stated in the agenda. And he's absolutely right, it's a 90-day period, although all of our conversations indicate that we're hoping for 60. We think we can do this better, but it's going to be an appropriate transition too, because the foremost thing in our mind is continuity of service and ensuring care to the individuals in our care. So we will begin transition upon award, if granted, at that date.

As far as the price differential on DOC, because at this point, this is the only item that we can really talk about. It's the only item on the agenda. This is all new information to me. I was not aware of any price discrepancies. The Department didn't open financials for YesCare on the Division of Corrections contract. So again, new information. What I do know though, is they were ultimately deemed not responsible for a very large contract because of a number of the things you, Mr. Treasurer, even mentioned that as well as their financial circumstances are a concern.

And I believe that with this contract in particular, more so than the one in the ether that we hope to see at the Board in two weeks, right, having the

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ability, the constant cash flow, having the money in the bank to be able to pay your bills is critical to maintain the partnerships that we have with outside sources, outside medical providers like UMMS, UPMC. So we ultimately deem them not responsible for an award and did not open financials. And I would be remiss without mentioning, because I know there has been some conversation from our partners and collaborators at AFSCME related to a labor-peace agreement, I know the Comptroller's Office has asked about this as well. I have confirmed with Centurion that they are more than welcome to sit down at the table with AFSCME and discuss a labor-peace agreement, which I think is a wonderful boon to the State as well.

GOVERNOR MOORE: Does anybody have any questions?

CHIEF DEPUTY COMPTROLLER SCHAUFELLE: No questions.

GOVERNOR MOORE: Mr. Secretary, thank you so much.

MR. SEDTAL: Thank you.

GOVERNOR MOORE: Is there any further discussion on this item?

CHIEF DEPUTY COMPTROLLER SCHAUFELLE: No discussion.

GOVERNOR MOORE: Okay. Are there any further discussion on any part of the DGS agenda?

CHIEF DEPUTY COMPTROLLER SCHAUFELLE: No.

GOVERNOR MOORE: Okay. May I have a motion to approve the agenda?

DEPUTY COMPTROLLER SCHAUFELLE: So moved.

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Great. Thank you so much. Thank you

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so much, Mr. Secretary.

MR. SEDTAL: Thank you.

GOVERNOR MOORE: This concludes today's meeting of the Board of Public Works. Our next meeting is going to be Wednesday, June 5th, which will be a bond sale meeting and held in the Treasury Building. Thank you all. The meeting is adjourned.

(Whereupon, at 11:30 a.m., the meeting was concluded.)